Steam Electric Effluent Limitations Guidelines and Standards Rule

Background on Effluent Limitations Guidelines and Standards (ELGs)

- The Clean Water Act directs EPA to establish ELGs to control discharges of pollutants in industrial wastewater to surface waters and publically owned treatment plants (POTWs)
- ELGs are based on the performance of specified technologies; facilities are not required to use those technologies and may instead use alternative technologies/approaches to comply.
 - Statute designed to increasingly elevate the technology floor for all dischargers in an industrial sector to match the performance of the best plants in the industry.
 - Not based on the water quality of individual receiving waters.
- ELGs provide equity and certainty for industrial facilities as the requirements apply nationally

Background on the Steam Electric ELGs

The Steam Electric ELGs are applicable to discharges from fossil- and nuclear-fueled steam electric generating units at establishments where the generation of electricity is the predominant source of revenue or principle reason for operation.

mptio, EPA signed revisions to the ELGs on September 30, 2015.

The Rule addresses changes in the industry that have occurred since EPA last updated existing regulations 35 years ago and limits the amount of toxic metals (e.g., mercury, arsenic, selenium, lead), as well as nutrients, discharged into waterways.

Previous regulations were based primarily on the use of surface impoundments (settling ponds), intended to focus on removal of suspended solids, rather than dissolved metals which are toxic and harmful to humans and aquatic life.

The 2015 ELG Rule is based on technologies, which are already in use in the industry, are effective for treating or eliminating toxic pollutant and nutrient discharges to surface

New technologies for generating electric power and the widespread implementation of air pollution controls over the last 30 years have altered existing wastewater streams or created new wastewater streams at many power plants, particularly coal-fired plants.

- Estimated annual compliance costs and benefits for the final rule are \$480 million (only 12% of industry incurs cost) and \$451 to \$566 million, respectively; these costs reflect the fact that many companies were already planning to retire their coal-fired units/plants because of the low cost of natural gas.
- This rule, done in conjunction with the Coal Combustion Residual Rule on maintenance/closure of surface impoundments, provides industry with a long planning period up to 2023 to comply with both rule.

What Does the Rule Accomplish?

- Steam electric power plants are the largest industrial source of toxic pollutants discharged to surface waters, responsible for approximately 30% of the nationwide total.
 - Annually reduces pollutant discharges by 1.4 billion pounds and water withdrawals by 57 billion gallons leading to improvements in public health and ecological impacts.

- Reduces severe health and environmental problems that they pollutants can cause in the form of cancer and non-cancer risks in humans, lowered IQ among children, and deformities and reproductive harm in fish and wildlife.
- Improves protections for downstream drinking water plants and their customers.
- Reduces discharges of nutrients which exacerbate over-enrichment and associated water quality problems.
- Reduces the risk of catastrophic failure of surface impoundments.
- Due to their close proximity to these discharges and relatively high consumption of fish, some minority and low-income communities have greater exposure to, and are therefore at greater risk from, pollutants in steam electric power plant discharges.

What does this rule require?

- The rule establishes new requirements for wastewater streams from the following processes
 and byproducts associated with steam electric power generation: flue gas desulfurization (FGD),
 fly ash, bottom ash, flue gas mercury control, and gasification of fuels such as coal and
 petroleum coke.
- The rule established requirements for FGD wastewater for arsenic, mercury, selenium, and nitrogen. The rule encourages plants to commit to meet more stringent limits for pollutants in FGD wastewater, based on evaporation/crystallization technology, by giving them until the end of 2023 to meet the more stringent limits.
 - When the rule was signed, nearly half of all power plants with wet FGD scrubbers already had equipment/processes in place that enable them to meet the new effluent limits.
 - The new BAT limits have spurred technology development and new technology vendors
 entering the market, resulting in new technology solutions capable of meeting the BAT
 and Voluntary Program effluent limits.
 - A number of power plants are "leapfrogging" past the performance level set by the new BAT effluent limitations and committing to the more stringent voluntary limits.
- The rule established zero discharge of pollutants in fly ash transport water
 - When the rule was signed, dry fly ash handling was widely demonstrated, with over 80 percent of generating units operating these systems; others had announced plans to convert the systems at additional generating units.
 - Now, the transformation to dry ash handling systems is nearly complete, with only a handful of plants still using wet fly ash handling systems.

The rule established zero discharge of pollutants in bottom ash transport water

- When the rule was signed, more than 50% of entities already employed zero discharge technologies or had announced plans to switch to such systems in the near future.
- Exemption 5 Deliberative
- Exemption 5 Deliberative



 The rule also establishes zero discharge pollutant limits for flue gas mercury control wastewater, and limits on arsenic, mercury, selenium and total dissolved solids in coal gasification wastewater.

ACE

ISSUE PRIORITIES

ACCCE's Policy Committee identified ten (10) issues that should be addressed by the Trump administration. These issues are grouped below according to (a) their importance to coal-fired generation and (b) the need for prompt action because of pending litigation or near-term regulatory deadlines. For further explanation, please refer to ACCCE policy papers on each of these issues.

GROUP 1 (Highest Priority)

Clean Power Plan (CPP) and CO₂ New Source Performance Standards (NSPS)

Prompt action is necessary because litigation is pending on both rules. It is critical that EPA put the CPP on hold before the D.C. Circuit issues a decision. This means asking the court to "hold the CPP litigation in abeyance" while EPA reconsiders the rule. This would avoid the possibility of a bad court decision before the administration decides what it wants to do about the CPP. Similarly, the NSPS litigation should be held in abeyance.

Coal Combustion Residuals/Effluent Limitation Guidelines

EPA should immediately suspend implementation of both rules. This would give the agency additional time to address problems with the rules. Otherwise, utilities will be forced to make compliance decisions over the next six months that could require major capital investments or force the shutdown of existing coal-fired generating units.

Regional Haze

EPA's most recent rule should be withdrawn and revised. Alternatively, Congress could disapprove the rule through the CRA process. Congress would have until early summer to pass a resolution of disapproval.

GROUP 2

Cross State Air Pollution Rule (CSAPR Update)

More stringent NO_x emission budgets take effect May 1. Therefore, EPA should issue an administrative stay before the budgets take effect. Also, EPA should grant pending industry petitions for reconsideration of the CSAPR update rule and initiate a new rulemaking.

New Source Review (NSR)

EPA needs to revise its current regulations to make it clear that reliability, efficiency, and safety improvement projects do not trigger NSR.

Startup, Shutdown, and Malfunction (SSM)

Because oral arguments are scheduled for May 8, EPA should ask the D.C. Circuit to suspend pending litigation over the SSM SIP call while the agency completes a new rulemaking.

GROUP 3

There is no need for the Trump Administration to take immediate action on these four issues:

New Coal-Fueled Power Plants (CO2 NSPS is in Group 1)

Social Cost of Carbon

Cumulative Impacts

Co-Benefits

March 6, 2017

FIXING THE CCR/ELG RULES

In 2015, EPA promulgated overly stringent rules dealing with solid wastes — Coal Combustion Residuals (CCR rule) — and liquid wastes — Effluent Limitations Guidelines (ELG rule) — produced by coal-fired power plants. Both rules need to be revised. However, revisions will not prevent coal retirements and wasted investments unless the deadlines under both rules are delayed immediately. The following summarizes steps to fix both rules.

Delay the 2018 compliance deadline under the ELG rule. Delaying the compliance deadline would allow time for EPA to conduct a new rulemaking to change the ELG rule. EPA can encourage state authorities to delay the deadlines by issuing guidance explaining that states have broad discretion to set deadlines under the ELG rule.

EPA set November 1, 2018 as the default compliance deadline for the ELG rule.¹ However, the rule also provides states with the authority to allow until the end of 2023 (an additional five years) to comply based on a four-factor test.² One of these four factors is an open-ended "other factors as appropriate" test which gives permitting authorities wide latitude. For example, an appropriate factor to justify a later compliance deadline would the likelihood that EPA is expected to change the ELG rule.

Suspend all of the ELG requirements. This can be accomplished in a number of different ways. For example, because the rule is in litigation, DOJ could request, on behalf of EPA, that the 5th Circuit remand the rule back to the agency and stay the rule pending a new rulemaking. Alternatively, EPA could undertake an expedited rulemaking (e.g., with a 30-day comment period) solely to extend or suspend compliance deadlines until the agency can reconsider all of the requirements in the ELG rule.

Conduct a new rulemaking to correct the substantive problems with the ELG rule. The rulemaking should establish revised requirements, especially for the discharge of bottom ash transport water and the effluent limits for certain constituents in scrubber wastewater.

Delay or suspend the current CCR deadlines through an expedited rulemaking. Utilities must make decisions on whether to close CCR facilities by no later than October 17, 2018 under the current rule. However, utilities are likely to make decisions long before that. Therefore, EPA should undertake an expedited rulemaking to delay or suspend the deadlines under the CCR rule. This would allow time to conduct a rulemaking to address the substantive problems with the rule.

Initiate a rulemaking to correct substantive problems with the CCR rule. EPA should initiate a rulemaking to correct the substantive problems with the CCR rule. However, like the ELG rule, EPA must take immediate action to suspend or extend the current compliance deadlines while EPA completes a rulemaking to revise the substantive requirements of the CCR rule.³

April 2, 2017

¹ The ELG rule sets a default deadline of November 1, 2018. However, state permitting authorities can extend this deadline to as late as December 31, 2023 based on the four-factor test (below).

² The four factors are (1) time to plan, design, procure, and install equipment; (2) changes being made to the plant in response to other rules; (3) optimization of equipment for meeting FGD wastewater discharge limitations; and (4) other factors as appropriate.

³ As a result of litigation challenging the CCR rule, EPA is already obligated to make certain revisions to the rule, and this remand rulemaking could serve as the vehicle to make substantive revisions to the rule.

Steam Electric Power Generating ELGs Economic Analysis Summary

7/11/17

Total Annualized Benefits and Costs Discounted at 3% for the Selected Option D (Millions; 2013\$)

	Low	Mid	High
Human Health Benefits	\$16.5	\$17.2	\$17.9
Nonmarket Benefits from Water Quality Improvements	\$23.3	\$31.3	\$129.5
Benefits from Avoided Impoundment Failures	\$95.6	\$99.2	\$102.9
Benefits from Reuse of the Dry Handling Waste Stream		\$30.8	
Air Related Benefits		\$284.5	
Total Benefits Excluding Air-Related Benefits	\$166.1	\$178.5	\$281.2
Total benefits Including Air-Related Benefits	\$450.6	\$463.0	\$565.6
Total Costs		\$479.5	

Cost Estimates:

EPA estimated plant specific costs based on survey responses from the plants, site visits, and
other data sources. The majority of the data used to construct cost estimates was deemed CBI
by the plants that supplied it and therefore is not available to the public or industry groups.

Human Health Benefits:

- Pollutants are assumed to affect individuals through fish consumption.
- Estimated benefits are from reducing exposure to lead (\$13.6 \$13.92 million), mercury (\$2.87 \$4.03 million), and arsenic (<\$0.01 million).
- The quantified benefits represent only the subset of the pollutants reduced for which we have quantified dose response functions.

Nonmarket Benefits from Water Quality Improvements:

- Some environmental goods and services valued by humans are not bought and sold directly in markets. Their value can be estimated by examining people's behavior in related markets or using survey data.
 - For example, we can examine how people value water quality by looking at water based recreation (fishing, boating, and swimming).
 - Survey data can show how people value water quality such as the health of aquatic life, existence of clean water, and preservation of clean water for future generations – even if they are not directly using it.
- For this rule, valuation of nonmarket benefits utilizes a peer reviewed meta-analysis of 51 recent stated preference studies that relates willingness to pay (WTP) to changes in the water quality.
 - Water quality is measured using a water quality index (WQI) which aggregates multiple measures of water quality (DO, BOD, fecal coliform, total nitrogen, total phosphorus, total suspended solids, heavy metals) into a single value.
- Average annual household WTP ranged from \$0.23 to \$1.77 with a central estimate of \$0.45.

Benefits from Avoided Impoundment Failures:

- The rule is anticipated to cause some plant owners to reduce their reliance on impoundments to manage coal combustion residuals. Less impoundments should translate into fewer spills (53 of 1070 impoundments were forecasted to close).
- The valuation methodology follows the Coal Combustion Residuals (CCR) rule methodology.
- The CPP and CCR rules also affect plants decisions to operate holding ponds and are both built into the Steam ELG baseline.

Benefits from Enhanced Marketability of Coal Combustion Residuals

 The rule was anticipated to prompt a number of firms to switch from wet to dry handling of CCR materials. Some of the dry ash produced will generate revenue as it has a number of beneficial uses including structural fill, concrete, and wallboard.

Air Related Benefits:

- Substitution away from facilities with higher air emissions due to increased operating costs under the rule.
- Impacts of increased emissions from electricity used to operate treatment equipment and to transport CCR waste offsite were subtracted from benefits.
- Modeling of the electricity sector and air related benefit was done using IPM and BenMAP.
- · Air benefits are by far the largest benefit category equaling \$284.5 million.
- CPP was included in the Steam ELG baseline Exemption 5 Deliberative

Other benefit categories estimated:

 Relatively minor benefits (<\$1 million) were also estimated for a number of other categories including the protection of threatened and endangered species, groundwater protection, and reduced dredging costs.

Other issues affecting benefits and costs:

- Treatment of non-detects Estimated pollutant loadings and removals were based on water quality sampling data collected through a survey of Steam Electric facilities and industrysupplied water quality sampling data.
 - o Forty-four pollutants were tested for but not every pollutant was observed or measured in each sample. Sampling methods also differ across plants.
- How these non-detects are treated in the analysis affects estimates of the benefits and cost effectiveness of the rule. EPA's approach was contested by industry and discussed with OMB.
- Methods for handling non-detects:
 - Method 1 (Used in RIA): Based on past precedent, all non-detected values are assigned
 a value equal to one half the detection limit of the method used to collect the sample.
 - o Method 2 (sensitivity analysis in RIA): Any assigned non-detect value from Method 1 greater than the maximum detected value in the sample was excluded from the analysis. This resulted in changes to 6 of the 44 mean pollutant concentrations and resulted in a 9% reduction in assumed toxic weighted pound equivalent removals.
 - Method 3 (calculated but not included in the RIA): Replace non-detected values with the mean detected value from the collected samples. Results from this method were similar to those from Method 2.

March 29, 2017

Wednesday

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11	Monthly w/ Peter Grevatt Exemption 6 PII		
	3219B ; Best-Wong, Benita	⊕	
2 PM	Brownbag: General w/ODs	HRMD LER Management Training Session: PAPs, PIPs, Awards?	
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1	Bi -Weekly General w/ Sarah Greenwalt 3219A WJCE; Shapiro, Mike		
2	FY18 Discussion 3219A WJCE		
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3	Pre-Brief Steam Electric Effluent Limitations Guidelines and Stand	ards Rule Exemption 6 PII	
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4 Interoperable Watersheds Network (Sensor Data Sharing) Lessons Learned Report out		Learned Report out	
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Penman, Crystal

Subject: Pre-Brief Steam Electric Effluent Limitations Guidelines and Standards Rule Call in

Exemption 6 PII

ocation: 3233 WJCE

Start: Wed 3/29/2017 3:00 PM **End:** Wed 3/29/2017 3:30 PM

Recurrence: (none)

Meeting Status: Accepted

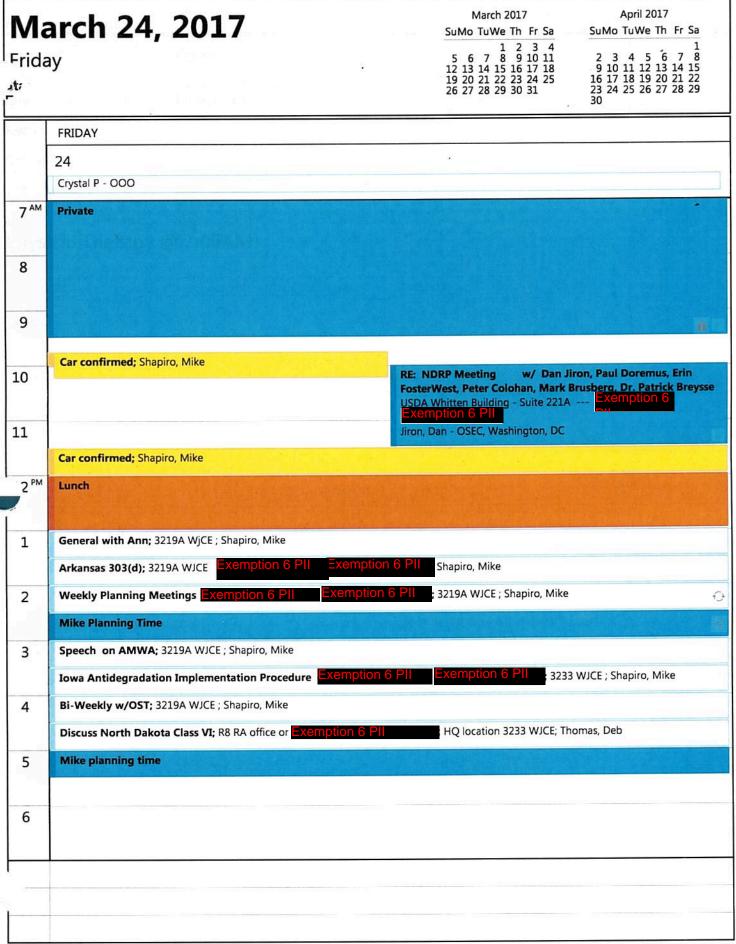
Organizer: Shapiro, Mike

Required Attendees: Best-Wong, Benita; Southerland, Elizabeth; Wood, Robert; Matuszko, Jan; Jordan, Ronald;

Minoli, Kevin; Neugeboren, Steven; Levine, MaryEllen; Zomer, Jessica

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8	Puget Sound NDZ call in Exemption 6 PII	3219A; Best-Wong, Benita	
9			
10	Benita Planning Time		
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11	Bi-Weekly PMO Update Meeting WJC-East 3219B; Best-Wong, Benita		Ð
12 PM	Lunch		•
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2	General w/ Louise Kitamura Call in # Exemption 6 PII	: WJC East 3219; Best-Wong,	, Benita \odot
3	Budget update; 3219B East; Best-Wong, Benita		Ð
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Final Production

January 17, 2018

EPA-HQ-2017_005671

Penman, Crystal

Subject: ocation:

Bi-Weekly w/OST 3219A WJCE

Start: End: Fri 3/24/2017 4:00 PM Fri 3/24/2017 4:30 PM

Recurrence:

(none)

Meeting Status:

Meeting organizer

Organizer:

Shapiro, Mike

Required Attendees:

Best-Wong, Benita; Campbell, Ann; Southerland, Elizabeth; Lape, Jeff; Wood, Robert; Behl,

Betsy; Hisel-Mccoy, Sara; Hewitt, Julie

Optional Attendees:

Martin, Jeanette; Christensen, Christina

Agenda:

- 1. WQS Handbook Chapter updates
- 2. CA Hg proposal
- 3. Steam electric
- 4. Dental amalgam
- 5. Methods update rule

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9	Daily Check in; 3219A WJCE; Shapiro, Mike	Coffee w/ Industry Stakeholders Exemption 6 PII 3233 WJC-E Shapiro, Mike	
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11	Donna Downing using 3233 Shapiro, Mike	Shapiro/Grifo Scientific Integrity Pre-Meeting WJC-E 3219A; Grifo, Francesca	
12 PM	Brownbag: General w/ODs 3219A WJCE Call in 1-866-299-3188 Exemption 6 PII Sharing	HRMD LER Management Training Session: PAPs, PIPs, Awards? Oh My! Making the most of Mid-Year PARS RTP Location: C112 HQ: WJC North 3530 Edmondson, Lucy	
1	CWSRF AIS Waiver Request Exemption 6 PII 3233 WJCE; Shapiro, Mike	Edmonoson, Lucy	
2	FY18 Discussion 3219A WJCE Shapiro, Mike	In-Person Monthly CDAT IAG Meeting 1800 G St, Suite 9100, NW, Washington, DC, United States, Conferen	
3	Pre-Brief Steam Electric Effluent Limitations Guidelines and St	Weigel, Amanda M. (MSFC-ST11)[UAH]	
	Bi -Weekly General w/ Sarah Greenwalt 3219A WJCE; Shapiro, Mike	0	
4	Interoperable Watersheds Network (Sensor Data Sharing) Lessons Learned Report out 3233 WJCE Exemption 6 PII Exemption 6 PII Shapiro, Mike		
5	Mike Planning Time		
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Penman, Crystal

Subject: Pre-Brief Steam Electric Effluent Limitations Guidelines and Standards Rule 'Call in

Exemption 6 PII Exemption 6 PI

ocation: 3233 WJCE

Start: Wed 3/29/2017 3:00 PM **End:** Wed 3/29/2017 3:30 PM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: Shapiro, Mike

Required Attendees: Best-Wong, Benita; Southerland, Elizabeth; Wood, Robert; Matuszko, Jan; Jordan, Ronald;

Minoli, Kevin; Neugeboren, Steven; Levine, MaryEllen; Zomer, Jessica

March 30, 2017

Thursday

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11	Puget Sound NDZ (Pre-Brief) Exemption 6 PII Exemption 6	ACCURACY MANAGEMENT SET TOS
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2	Meet and Greet; EPA 1201 Constitution Ave NW, Washington DC 20006	WJCE 3233 Please call Exemption for escort; Shapiro, Mike
	Mike Planning time	
3	Bi-Weekly with WPS Exemption 6 PII Exemption 6 PII	3233 WJCE ; Shapiro, Mike
	Follow-up: 3/21 Meeting with Taunton, MA Local Officials; Exemple	
	Tollow-up. 3/21 Meeting With Tourist, MA 2001 Officials,	
4	Steam Electric Effluent Limitations Guidelines and Standards Rule 3219A WJCE; Shapiro, Mike	
5	Mike Planning Time	
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May 23, 2017

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1	Reconsideration of Steam Electric ELGs 3233 WJCE Call in Exemption 6 Exemption 6 PII Shapiro, Mike	·
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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

JUL - 5 2017

OFFICE OF WATER

The Honorable Marsha Blackburn House of Representatives Washington, D.C. 20515

Dear Congresswoman Blackburn:

Thank you for your March 23, 2017, letter regarding the Tennessee Valley Authority Cumberland Plant, which submitted a request for a fundamentally different factors variance, under Clean Water Act Section 301(n), from the EPA final rule entitled "Effluent Limitations Guidelines and Standards for the Steam Electric Power Generating Point Source Category," 80 Fed. Reg. 67,838 (Nov. 3, 2015).

The steam electric effluent limitations guidelines rule is currently in litigation in the U.S. Court of Appeals for the Fifth Circuit, *Southwestern Electric Power Co.*, et al. v. EPA, No. 15-60821. The EPA recently received two petitions for reconsideration of the Steam Electric ELG rule, one from the Utility Water Act Group (a petitioner in the litigation) and one from the Small Business Administration Office of Advocacy. In a letter dated April 12, 2017, the Administrator announced that EPA intends to reconsider the rule. See Enclosure A. That same day, the Administrator signed a notice for publication in the Federal Register announcing the EPA's decision to administratively stay the new, more stringent limitations and standards in the rule pending judicial review. See Enclosure B. This action will provide relief to the facility from the rule's requirements, as the EPA reconsiders the rule.

Again, thank you for your letter. If you have further questions, please contact me or your staff may contact Kevin Kuhn in the EPA's Office of Congressional Correspondence and Intergovernmental Relations at Kuhn.kevin@epa.gov or 202-564-4835.

Sincerely,

Michael H. Shapiro

Acting Assistant Administrator

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Enclosures

January 17, 2018



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY WASHINGTON, D.C. 20460

MAY 2 4 2017

OFFICE OF WATER

Michael Beckham Assistant General Manager Lakeland Electric 501 East Lemon Street Lakeland, Florida 33801

Dear Mr. Beckham:

Thank you for your March 23, 2017, letter regarding the Lakeland Electric facility, which requested immediate relief from the EPA final rule entitled "Effluent Limitations Guidelines and Standards for the Steam Electric Power Generating Point Source Category," 80 Fed. Reg. 67,838 (Nov. 3, 2015). As you may know, the EPA recently published a Federal Register notice issuing an administrative stay of the compliance dates in the rule that have not yet passed, pending judicial review, under section 705 of the Administrative Procedures Act. This includes the November 1, 2018 deadline for complying with the new pretreatment standards that the Lakeland Electric facility is subject to.

On November 3, 2015, the EPA issued a final rule amending the effluent limitations guidelines and standards on various waste streams at steam electric power plants. The compliance dates for the new, more stringent limitations for direct dischargers in that rule are as early as November 1, 2018 and as late as November 1, 2023. The compliance date for the new, more stringent standards for *indirect* dischargers like Lakeland Electric under the rule is November 1, 2018, pursuant to Section 307(b)(1) of the Clean Water Act, which states that pretreatment standards "shall specify a time for compliance not to exceed three years from the date of promulgation." Of the 134 facilities that the EPA estimated will incur costs under the rule, the EPA estimated that there are 6 indirect dischargers that would incur costs to comply with the new pretreatment standards.

The Steam Electric Effluent Limitations Guidelines (ELG) rule is currently in litigation in the U.S. Court of Appeals for the Fifth Circuit, *Southwestern Electric Power Co., et al. v. EPA*, No. 15-60821. Additionally, the EPA recently received two administrative petitions for reconsideration of the Steam Electric ELG rule, one from the Utility Water Act Group (a petitioner in the litigation) and one from the Small Business Administration Office of Advocacy. In a letter dated April 12, 2017, Administrator Pruitt informed the petitioners of his decision that it is appropriate and in the public interest to reconsider the rule. On April 25, 2017, the EPA published a Federal Register notice issuing an administrative stay of the compliance dates in the rule that have not yet passed, pending judicial review, under section 705 of the Administrative Procedure Act. These documents can be found on the EPA website at https://www.epa.gov/eg/steam-electric-power-generating-effluent-guidelines-2015-final-rule#pending. In addition, on April 24, 2017, in response to a motion filed by the EPA, the U.S. Court of Appeals for the Fifth Circuit agreed to hold all proceedings in abeyance for 120 days, by which time the EPA intends to inform the Court of the portions of the rule, if any, it wishes to

be remanded back to the Agency for further rulemaking. Because Section 705 of the APA authorizes an Agency to postpone the effective date of an action pending judicial review, EPA is undertaking notice-and-comment rulemaking to stay certain compliance dates in the rule in the event that the litigation ends, and while the Agency is undertaking reconsideration. This stay would remain in place until either the EPA lifts the stay or promulgates a final rule specifying compliance dates. At this time, the EPA has not reached a decision on the merits of, or conceded any error on, any issue raised in the petitions.

If you have further questions, please contact me or your staff may contact Jan Matuzsko at (202) 566-1035.

Sincerely,

Michael H. Shapiro

Acting Assistant Administrator

Janhal Stapio



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY WASHINGTON, D.C. 20460

AUG - 2 2017

OFFICE OF WATER

Kaylynne Marquez Biology Department University of Oregon Eugene, OR 97403-1210

Dear Ms. Marquez:

Thank you for your June 7, 2017 postcard to Administrator Pruitt expressing support for the the EPA final rule entitled "Effluent Limitations Guidelines and Standards for the Steam Electric Power Generating Point Source Category," 80 Fed. Reg. 67,838 (Nov. 3, 2015). The Administrator asked me to respond to your postcard on his behalf.

The Steam Electric Effluent Limitations Guidelines (ELG) rule is currently in litigation in the U.S. Court of Appeals for the Fifth Circuit, *Southwestern Electric Power Co., et al. v. EPA*, No. 15-60821. Additionally, EPA recently received two administrative petitions for reconsideration of the Steam Electric ELG rule, one from the Utility Water Act Group (a petitioner in the litigation) and one from the Small Business Administration Office of Advocacy. In a letter dated April 12, 2017, Administrator Pruitt informed the petitioners of his decision that it is appropriate and in the public interest to reconsider the rule. At this time, EPA has not reached a decision on the merits of, or conceded any error on, any issue raised in the petitions.

To learn more about the steam electric rule and the reconsideration process, please visit our website at: https://www.epa.gov/eg/steam-electric-power-generating-effluent-guidelines-2015-final-rule

If you have further questions, please contact me at (202) 566-2858 or scozzafava.michaele@epa.gov.

Sincerely,

Robert Wood, Director

Engineering and Analysis Division

Wed Jun 07 08:47:55 EDT 2017 Hope.Brian@epamail.epa.gov

FW: Revision of Clean Water Act Effluent Limitation Guidelines for power plants (the ELG rule)

To: CMS.OEX@epamail.epa.gov

From: Kaylynne Marquez [mailto:kaylynne@uoregon.edu]

Sent: Wednesday, June 07, 2017 12:55 AM **To:** Pruitt, Scott < Pruitt. Scott @epa.gov>

Cc: schlenof@uoregon.edu

Subject: Revision of Clean Water Act Effluent Limitation Guidelines for power plants (the ELG rule)

ATTN: Scott Pruitt

USEPA Headquarters William Jefferson Clinton Building 1200 Pennsylvania Avenue, N. W. Mail Code: 1101A Washington, DC 20460 202-564-4700

RE: Revision of Clean Water Act Effluent Limitation Guidelines for power plants (the ELG rule)

In your role as the EPA's Administrator, you are expected to uphold the ability of this country to protect our natural resources. You once led a historic water rights settlement and it is now time to prove to this country that your values are truly embedded in the environmental conservation of our wonderful nation. As a family man, I am sure you are concerned with the health of your children. Your children, and the children of this country, need you to stand up for what is right and to protect the thing that keeps us all alive, *water*. Revising the ELG rule without taking serious consideration to the environmental harm that will be brought on by suspending the compliance limits for power plants is a very dangerous move.

On April 25, 2017, without a public statement and without providing the public with the chance to submit comment, you broadcasted the Indefinite Stay which purposes the suspension of limits set in place under the Clean Water Act to protect our waterways. These limits are based on years of research by the exact agency you now lead, and were established to prevent our country from suffering the effects of severe water pollution.

As a specialist in constitutional law, I am positive that you know The Indefinite Stay is entirely unlawful, and violates the Administrative Procedure Act (APA) for at least six reasons. These disputes are documented in the in the United States District Court for The District of Columbia Civil Action No. 17-817, and are listed below as summarized from the Complaint by recent news:

- 1. The EPA failed to make findings mandatory to support a determination that "justice so requires" an administrative stay under 5 U.S.C. § 705
- 2. Because EPA's justification for the stay was to consider pending petitions for reconsideration, rather than to stay the rule pending judicial review
- 3. Because 5 U.S.C. § 705 provides only for postponing the effective date of an action, and the effective date of the ELG rule is nearly 16 months in the past
- 4. EPA postponed the compliance dates for only selected portions of the ELG rule, rather than staying the effectiveness of the rule in the entirety
- 5. An adequate justification for the stay was not provided nor did EPA consider all relevant factors.
- 6. A failure to provide prior notice and opportunity to comment as required by 5 U.S.C. § 553

The ELG rule was proposed by the EPA to require power plants to abide by new limits on pollutants in their wastewater seepage, based on the EPA's findings of the level of pollution reduction possible, using the best wastewater treatment technology that is available within reasonable means. Historically, power plants have had significant impacts on the environment and on public health. The Clean Water Act's goals are to reestablish and preserve the chemical, physical, and biological integrity of, and to eradicate the release of pollutants into the water systems of the United States. Revising this rule in favor of power plants would reverse the protections put into place to protect our country's waterways.

Power plants are by far the largest source of toxic water pollution in the United States. When concluding the ELG rule in 2015, the EPA found power plants to produce more toxic waste than the next two largest polluting industries, combined. Power plant wastes contain toxic metals and drinking water contaminants that can cause cancers, lowered IQ in children, deformities, and reproductive issues in wildlife organisms. The costs saved by the power plant industry by suspending these limits will pale in comparison to the costs associated with cleaning up the toxic waste they produce. These toxic effects are not ones I want my children, or your future grandchildren to ever have to endure. You have the power to make amazingly positive, influential decisions. Please reconsider this revision, and know that it does not serve our country's best interest to remove the limits of such a toxic industry.

Sincerely, Kaylynne Marquez, B.Sc., Biology University of Oregon



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY WASHINGTON, D.C. 20460

JUN 1 9 2017

OFFICE OF WATER

Mr. James Peterson CEO Frontier Water Systems 3442 Sutherland Street San Diego, CA 92110

Dear Mr. Peterson:

Thank you for your May 17, 2017, email to Administrator Pruitt that shared supporting information related to the Steam Electric ELG rule.

As you know, the EPA recently received two administrative petitions for reconsideration of the Steam Electric ELG rule, one from the Utility Water Act Group and one from the Small Business Administration Office of Advocacy. In a letter dated April 12, 2017, Administrator Pruitt informed the petitioners of his decision that it is appropriate and in the public interest to reconsider the rule. On June 6th, the EPA published a proposed rule in the Federal Register to postpone certain compliance dates for the Steam Electric ELG. At this time, the EPA has not reached a decision on the merits of, or conceded an error on, any issue raised in the petitions. The information that you have provided on Frontier's accomplishments toward affordable Flue Gas Desulphurization (FGD) wastewater treatment will be helpful as EPA reconsiders the final rule.

Thank you again for taking the time to meet with Administrator Pruitt and me. Technology innovation from small businesses like yours is the engine that drives the economy. If you have any questions, please do not hesitate to contact me or Ron Jordan of my staff at jordan.ronald@epa.gov.

Sincerely,

Michael H. Shapiro

Acting Assistant Administrator

Michael Shazin

The Honorable Dennis Ross U.S. House of Representatives Washington, D.C. 20515

Dear Congressman Ross:

Thank you for your April 14, 2017, letter requesting an extension of the compliance deadline for EPA's 2015 Steam Electric Power Generating Effluent Guidelines and Standards (EGL). The Agency appreciates your interest in this important issue.

I provided Lakeland Electric with notification of EPA's decision to issue an administrative stay of future compliance deadlines included in the 2015 EGL pending judicial review of this rule. I have enclosed my response to Lakeland Electric for your information.

Again, thank you for your letter. If you have further questions, please contact me or your staff may contact Kevin Kuhn in the EPA's Office of Congressional and Intergovernmental Relations at Kuhn.Kevin@epa.gov or (202) 564-4835.

Sincerely.

Michael H. Shapiro

Acting Assistant Administrator

Enclosure